



## Rule Up For Discussion and Possible Filing

Proposed Amendment to  
WAC 230-20-685

Commercial amusement games—Wager and prize limitations.

ITEM 14 (a) on the March 9, 2007, Commission Meeting Agenda.

Statutory Authority 9.46.070

### Who proposed the rule change?

Craig Singer, Nickels and Dimes, Incorporated.

### Proposed Change

The petitioner requests that amusement game wagering and prize limitations for regional shopping centers, movie theaters, bowling alleys, miniature golf courses, skating facilities, amusement centers, restaurants, and department and grocery stores, be increased as follows:

- Prize limitations from \$250 to \$600
- Wagering limits from \$.50 to \$2

### Attachments:

Memo to the Commission outlining their options for handling the petition.

Letter notifying Mr. Singer that his petition will be up for filing at the March 9, 2007, meeting.

Letter dated January 16, 2007, from Nickels and Dimes, Incorporated.

Petition for Rule Change dated January 15, 2007.

Proposed amendment to WAC 230-20-685.

RCW 9.46.010 and RCW 9.46.0201.

Excerpts from the May 1997 Commission meeting minutes.

Picture of a Crane Game, Skee-Ball Game and Wackamole Game.

### History of Rule

Amusement games are defined in RCW 9.46.0201 (attached). Some examples of amusement games are:

- Crane games (picture attached).
- Skee-Ball (picture attached).
- Wackamole (picture attached).

The amusement game prize limits were increased from \$100 to \$250 in 1997. In 1997, a petition for rule change from an amusement game licensee was filed by the Commission. The petitioner requested wagering limits for amusement games be increased from \$.50 to \$1 and prize limits be increased from \$100 to \$500. The Commission was concerned about increasing wagering limits because minors were allowed to play. The Commission amended and adopted the petition to keep wagering limits at \$.50, but agreed to increase prize limits to \$250. See attached minutes from the May 1997 Commission meeting.

Currently, there are only restrictions on the amusement game wagering and prize limits when they are operated at regional shopping centers, movie theaters, bowling alleys, miniature golf courses, skating facilities, amusement centers, restaurants, and department and grocery stores. Typically, these are crane

games (see attached picture). The current wagering limits for these locations are \$.50. The maximum cost for prizes offered at these locations is \$250.

Amusement games operated at other authorized locations have no restrictions on the wagering and prize limits. These locations include seasonal events, such as agricultural fairs and amusement parks, and locations where minors are not allowed, such as establishments with a liquor license.

#### Impact of the Proposed Change

Most amusement game activities that have wager and prize limits occur at places where there is no supervision and minors have access to play. This petition would be a significant increase in the cost per play and prizes in areas with uncontrolled environments and require the agency to increase its regulatory program for amusement game. In contrast, the maximum cost for a pull tab is \$1. They are operated in a more controlled environment and are highly regulated.

The petitioner states in their letter dated January 16, 2007, that customers have requested higher end prizes. The petitioner did not state what these “higher end prizes” are or what amusement games they anticipate increasing wager and prize limits on.

#### Regulatory Concerns

Additional resources would be needed to respond to complaints. No more revenue would be generated to fund the additional needed regulatory oversight and we don’t anticipate the ability to devote resources from other regulatory programs to monitor amusement games and follow up on higher number of complaints.

#### Resource Impacts

Currently, minimal regulatory resources are used to monitor amusement games. An increase in wagering limits and prizes will increase the needed regulatory oversight and resources.

#### Policy Consideration

May be perceived as an expansion of gambling. As proposed, it would offer higher wager limit games in an uncontrolled environment where minors spend money on this activity.

#### Statements Supporting the Proposed Rule Change

None.

#### Statements Opposing the Proposed Rule Change

None.

#### Licensees Directly Impacted By the Change

Amusement game operators.

#### Staff Recommendation

The Commission should consider whether or not the proposal is consistent with the legislative intent expressed in RCW 9.46.010 (attached), whether the increase to \$2 wagering limits is still “entertainment” as referred to in RCW 9.46.0201 (attached), and the need for additional devotion of agency resources if this passes.

#### Proposed Effective Date for Rule Change

The petitioner did not indicate an effective date.